

IC 27-13-26

Chapter 26. Summary of Orders and Supervision

IC 27-13-26-1

Hazardous financial condition; corrective action ordered by commissioner

Sec. 1. (a) If the commissioner determines that:

(1) the financial condition of a health maintenance organization is such that the continued operation of the organization might be hazardous to:

(A) the subscribers, enrollees, or creditors of the organization; or

(B) the general public; or

(2) the organization has violated any provision of this article; the commissioner may, after notice and hearing, order the health maintenance organization to take action reasonably necessary to rectify the condition or violation.

(b) An order of the commissioner under subsection (a) may require a health maintenance organization to do one (1) or more of the following:

(1) Reduce the total amount of present and potential liability for benefits by reinsurance or another method acceptable to the commissioner.

(2) Reduce the volume of new business being accepted.

(3) Reduce expenses by specified methods.

(4) Suspend or limit the writing of new business for a period of time.

(5) Increase the capital and surplus of the health maintenance organization by contribution.

(6) Take other steps the commissioner considers appropriate under the circumstances.

(c) The commissioner's order under this section may require items in addition to those set forth in subsection (b).

As added by P.L.26-1994, SEC.25.

IC 27-13-26-2

Violation of article

Sec. 2. For purposes of section 1(a)(2) of this chapter, the violation by a health maintenance organization of any Indiana law to which the health maintenance organization is subject is considered a violation of this article.

As added by P.L.26-1994, SEC.25.

IC 27-13-26-3

Adoption of rules; uniform standards set by commissioner

Sec. 3. (a) The commissioner may adopt rules under IC 4-22-2 to do the following:

(1) Set uniform standards and criteria to produce an early warning that the continued operation of a health maintenance organization might be hazardous to the subscribers, enrollees,

or creditors of the organization or to the general public.

(2) Set standards for evaluating the financial condition of a health maintenance organization.

(b) The standards set under subsection (a)(2) must be consistent with the purposes expressed in section 1 of this chapter.

As added by P.L.26-1994, SEC.25.

IC 27-13-26-4

Remedies and measures

Sec. 4. The remedies and measures available to the commissioner under this chapter are in addition to and not in place of the remedies and measures available to the commissioner under IC 27-9.

As added by P.L.26-1994, SEC.25.